INDEX.

PAGE

Petition for a Writ of Certiorari..... 1

I. Summary and Short Statement of the Matter Involved 2

Subject Matter and Decisions Below..... 3

II. Reasons Relied Upon for the Granting of a Writ of Certiorari..... 11

Brief for Petitioner in Support of Petition for Writ of Certiorari..... 15

The Opinions of the Courts Below..... 15

Jurisdiction 15

Statement 15

Specification of Errors 15

Summary of Argument..... 16

Argument 17

I. There is presented here an equal division and sharp conflict of opinion of the judges in the courts below in a case of very great industrial and public importance, involving an attempt to dominate one of the largest industries of the country which affects millions of people..... 17

II. The decision of the Court of Appeals is diametrically opposed to and in direct conflict with the decision of this Court in De Forest Radio Co. *v.* General Electric Co., 283 U. S. 664, as to what is and is not a patentable invention warranting a seventeen year monopoly, and as to when advance in the art or extensive commercial use may be thrown in the scale to support invention. The Court of Appeals has adopted a much lower standard of invention than is laid down in the decisions of this Court..... 18

PAGE

III. The decision of the Court of Appeals is in conflict with the decisions of this Court in Brown *v.* Piper, 91 U. S. 37, Penn. Railroad *v.* Locomotive Truck Co., 110 U. S. 490, Dreyfus *v.* Searle, 124 U. S. 60, and other cases, which hold that a valid process patent cannot be based on the application of an old process to a new subject, with no change in the manner of application, and no result substantially distinct in its nature..... 23

IV. The decision of the Court of Appeals is in conflict with the decisions of this Court in Railway Co. *v.* Sayles, 97 U. S. 554, Pattee Plow Co. *v.* Kingman, 129 U. S. 294, and other cases, the Court of Appeals having sustained the validity of claims 8 and 9, which are for a different and broader alleged invention from that of the application as filed, the application having been unlawfully expanded during its long pendency in the Patent Office to cover the commercial art which had developed in the meantime 26

V. The decision of the Court of Appeals is in sharp conflict with the very recent decision of the Court of Appeals for the Sixth Circuit in Fruehauf Trailer Co. *v.* Highway Trailer Co., 67 F. (2) 558. The Court of Appeals in the present case gave validity to the disclaimer by which claims 6 and 7 were amended and rewritten, a purpose which the disclaimer statute was not intended to permit..... 30

VI. The opinion of the Court of Appeals is in conflict with the decision of this Court in Haughey *v.* Lee, 151 U. S. 282, and other decisions of the federal courts..... 33

PAGE

VII. The case involves an important question of patent law arising under the amendment of March 3, 1903 (32 Stat. L. 1225) to R. S. 4887 (35 USC 32), which should be settled by this Court. The question—also raised in the related case in the Third Circuit—is, what is the correct rule of law to be applied under the statute, as amended, to determine whether a prior foreign patent to the same patentees, filed more than twelve months before the United States patent, is or is not for the same invention as the United States patent..... 36

Conclusion 39

Appendix A..... 40
The Specification of The Application for the Patent in Suit as Originally Filed in the United States Patent Office on March 29, 1922 40

Appendix B..... 41
The Disclaimer Statutes..... 41

Appendix C..... 42
Disclaimer 42

CASES CITED.

	PAGE
Allbright-Nell Co. *v.* Autosteam Process Co. (C. C. A. 7), 21 U. S. Patent Quarterly 401	34
Brown *v.* Piper, 91 U. S. 37	11, 25
Carbice Corporation of Am. *v.* American Patents Development Co. *et al.*, 283 U. S. 27, 420, 422	15, 21
Commercial Mfg. Co. *v.* Fairbank Canning Co., 135 U. S. 176 (1890)	37
Concrete Appliances Co. *v.* Gomery, 269 U. S. 177, 184, 185	11, 26
Duer *v.* Corbin Cabinet Lock Co., 149 U. S. 216, 223	22
De Forest Radio Co. *v.* General Electric Co., 283 U. S. 664	11, 15, 27
Dreyfus *v.* Searle, 124 U. S. 60, 63	11, 26
Du Bois *v.* Kirk, 158 U. S. 58	33
Electric Cable Joint Co. *v.* Brooklyn Edison Co., 54 S. Ct. 586	21
Ensten *et al v.* Simon, Ascher & Co., Inc., 282 U. S. 445	30
Enameled Metals Co. *v.* Western Conduit Co., 269 Fed. 620, 624, 629 (C. C. A. 6)	32
Fireball Gas Tank & Illuminating Co. *v.* Commercial Acetylene Co. *et al.*, 239 U. S. 156	37
Frigidaire Corp. *v.* General Necessities Corp., 32 F. (2d) 277, 278	32
Fruehauf Trailer Co. *v.* Highway Trailer Co., 67 F. (2d) 558	12, 31
Gen. Motors Corp. *v.* Rubsam Corp., 65 F. (2d) 217 (C. C. A. 6)	32
Haughey *v.* Lee, 151 U. S. 282, 285	12, 33
Hill *v.* Wooster, 132 U. S. 693, 698	34
Hollister *v.* Benedict, 113 U. S. 59, 73	21
Leeds & Catlin *v.* Victor Talking Mach. Co., 213 U. S. 301 (1909)	37

PAGE

Linville *v.* Milberger, 34 F. (2d) 386, 390 (C. C. A. 10) 32
McClain *v.* Ortmayer, 141 U. S. 419, 428, 429..... 22
McCloskey *v.* Toledo Pressed Steel Co., 30 F. (2d) 12 (C. C. A. 6), 280 U. S. 556..... 34
Motion Picture Patents Co. *v.* Universal Film Mfg. Co. *et al.*, 243 U. S. 502, 519..... 17
Osgood Dredge Co. *v.* Metropolitan Dredging Co., 75 Fed. 670, 673 (C. C. A. 1)..... 34
Palmer Tire Co. *v.* Lozier, 90 Fed. 732 (C. C. A. 6) (35 U. S. C. 66)..... 34
Pattee Plow Co. *v.* Kingman, 129 U. S. 294, 299..12, 28, 29
Penn. Railroad *v.* Locomotive Truck Co., 110 U. S. 490 ..... 11, 25
Powers-Kennedy Co. *v.* Concrete Co., 282 U. S. 175, 178 27
Radio Corporation of Am. *et al v.* Radio Engineering Laboratories, Inc., 54 S. Ct. 752..... 5
Railway Co. *v.* Sayles, 97 U. S. 554.....11-12, 28
Saranac Corp. *v.* Wirebounds Patents Co., 282 U. S. 704 21
Smokador Mfg. Co. *v.* Tubular Co., 25 F. (2d) 948 (D. C. Conn.)..... 34
Simmons *v.* Grier, 258 U. S. 82..... 15
Siemens *v.* Sellers, 123 U. S. 276..... 37
Thompson Spot Welder Co. *v.* Ford Motor Co., 265 U. S. 445..... 21
Thropp's Sons Co. *v.* Seiberling, 264 U. S. 320, 330, 331 32
Walker on Patents, 6th Ed., p. 334..... 32
Western Electric Co. *v.* Citizens Telephone Co., 106 Fed. 215..... 39

IN THE

Supreme Court of the United States.

OCTOBER TERM, 1934.

No.

PARAMOUNT PUBLIX CORPORATION,
Petitioner,

vs.

AMERICAN TRI-ERGON CORPORATION,
Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE SECOND CIRCUIT.

TO THE HONORABLE THE CHIEF JUSTICE AND THE ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE UNITED STATES:

Your petitioner, Paramount Publix Corporation, respectfully prays for a writ of certiorari to the Circuit Court of Appeals for the Second Circuit to review a judgment of that Court entered on June 11, 1934 (Vol., III, p. 1233). A petition for rehearing was duly presented and was denied on June 27, 1934 (Vol., III, p. 1273).

I. Summary and Short Statement of the Matter Involved.

This is a suit for infringement of a patent on a process for producing a composite print from a photograph of objects (pictures) and another photograph of a record of the sounds accompanying the pictures.

The petitioner, defendant below, is a well-known major producer of motion pictures. The respondent, American Tri-Ergon Corporation, is a patent-holding company which the record shows (Ex. 8) was organized in 1928 as a personal venture of William Fox (then but not now connected with the Fox Film Company) for the purpose of exploiting commercially in the United States the inventions of three Germans, Vogt, Engl and Massolle, who are the patentees of the patent in suit; but the record contains no evidence that the respondent has ever taken any part in the motion picture industry, either by the production of motion pictures, the furnishing of equipment therefor, or the grant of licenses, its principal activity being the prosecution of this and other litigation.

In a closely related case, No. 255–256, *Altoona Publix Theatres, Inc.* and *Wilmer and Vincent Corporation et al., petitioners,* v. *American Tri-Ergon Corporation et al., respondents,* a petition for a writ of certiorari to the Circuit Court of Appeals for the Third Circuit is being filed at the same time as this petition.

These cases are of major importance to the motion picture industry of this country and to the public, and petitioners have, upon request, consented to the filing of briefs as *amicus curiæ* on behalf of substantially the entire motion picture industry. As construed by the courts below, the patents are so broad as to permit the respondents to claim tribute from practically every one who has produced or exhibited talking motion pictures, or has manufactured equipment for recording or reproducing sound with motion pictures, or has done the developing and printing of sound and picture records.

Although a different patent is involved in each case, the two cases have much in common and raise several of the same important questions of law. Both patents are owned by the same respondent, American Tri-Ergon Corporation; both are based upon applications of the same three German citizens, Engl, Vogt and Massolle, who did their alleged inventive work abroad; both relate to alleged inventions used in the art of talking motion pictures; both rest upon subject matter completely anticipated by the prior art; both were copending in the Patent Office for a good many years during which the commercial art of talking motion pictures developed; both were expanded during their long prosecution to cover that commercial art; both were granted after having been persistently and consistently rejected by the Patent Office for a number of years for want of invention; and in both cases disclaimers were filed during the litigation (in the present case only five days before trial) which in effect re-wrote the claims in a manner not authorized by the statute.

Furthermore, the respondent's principal contention in one case was wholly inconsistent with that in the other case. In this case the respondent contended, and the Court of Appeals held, that the alleged invention covered by the patent here in suit was the advance in the art necessary to the success of talking motion pictures, and in the Third Circuit case, precisely the same contention was made and upheld for the different alleged invention of the patent there involved. The records show that neither assertion was true. The commercial success of talking motion pictures was due to developments in the electrical art made in this country (*infra*, p. 22).

Subject Matter and Decisions Below.

The patent here involved, No. 1,825,598 (Vol. II, p. 468), is entitled "Process for Producing Combined Sound and

Picture Films", and is commonly referred to as the **"printing patent"**. It was applied for in March, 1922 but was not taken out until September, 1931, *nine and one-half years later.*

In sound pictures of the film type, there are separate photographs of the things, persons, etc. and of the sound waves, the two being played or reproduced together. The sound waves are picked up by a microphone diaphragm (like a telephone transmitter), produce electrical currents which correspond in frequencies to the frequencies of the sound waves, the currents are amplified, and then actuate a light source to photograph on a sensitive film pictures corresponding to the sound frequencies. In playing or reproducing the sound pictures, the process is simply reversed, the sound photograph causing light variations which produce corresponding currents, which are amplified and then actuate a diaphragm (like a telephone receiver) to produce sound waves. There is no dispute that the foregoing was old before the patentees.

The patent is based upon the idea that the two kinds of pictures should be taken separately, should be separately developed, and then printed on the same film. As we shall point out, there was no new principle or discovery involved in this simple and obvious photographic process, but on the contrary it was well known prior to the patentees.

Claims 5 to 9, inclusive, and claim 11 were relied upon. Claims 8 and 9, the two broadest claims, omit entirely the intermediate step of separately developing the two films, which was the gist of the alleged invention.

The majority of the Court of Appeals (Judges Manton and Chase, the opinion being by Judge Manton, Vol. III, p. 1225) held all the claims in suit valid and infringed. Judge Swan dissented without opinion (Vol. III, p. 1233).

The District Court (Judge Campbell in the Eastern District of New York) had previously held (4 F. Supp. 462;

Vol. III, p. 1173) the claims invalid on several grounds, including the following:

1. Because of complete anticipation by the prior art.

2. Because of want of invention over the prior art.

3. Under Revised Statutes Sec. 4887 (35 U. S. C. 32), because of a prior French patent to the same patentees for the same alleged invention, granted upon an application filed more than twelve months before the application for the patent in suit was filed.

The District Court also held that the two broadest claims, 8 and 9, which omit the intermediate step of separately developing the two films—the gist of the patentees' original disclosure and the subject of claims 5, 6, 7 and 11—were invalid because unlawfully expanded in the Patent Office to cover a broader and different subject matter from that for which the application was filed. And the District Court further held that the disclaimer, filed only five days before the trial, more than ten years after the application was filed, and more than a year after the patent issued, by which two of the claims (6 and 7) were literally rewritten without any supervision of the Patent Office, was invalid and for a purpose which the disclaimer statute was not intended to permit.

Judges Manton and Chase disagreed with the District Court upon each of the foregoing points, and the decision of the District Court was reversed.

The four judges, who have passed upon the case, are thus evenly divided.*

* The situation is like that in *Radio Corporation of Am. et al.* v. *Radio Engineering Laboratories, Inc.*, 54 S. Ct. 752, in which a petition for writ of certiorari to the Second Circuit Court of Appeals was granted during the last term.

We respectfully refer the Court to the well considered opinion of the District Court (4 F. Supp. 462; Vol. III, p. 1173) for a more complete statement of the merits than can be made in this petition and brief.

The Court of Appeals stated in the introductory part of its opinion (Vol. III, p. 1225):

> "The Western Electric Company and its wholly owned subsidiary Electrical Research Products Inc. licensed its licensees, including the Appellee, *to use the process as* the Western Electric sound system."

There is no evidence in the record to justify this statement and it is contrary to fact. (See petition for rehearing, Vol. III, p. 1245).

The Court of Appeals in its decision stressed the following:

(1) "The *problem* sought to be solved by the patent was *bringing together on one positive film* the picture record, which requires one type of development, and a sound record which requires a different type of development. Its accomplishment marked an important advance in the art." (Vol. III, pp. 1225, 1226.)

(2) "The process of the patent in suit was brought to this country from Germany" [in 1927]. "Western Electric Company's engineers examined and tested it. They thereupon used it and it superseded sound on disc. Its adoption has become universal and speaks for the merit of the inventive thought therein involved." (Vol. III, p. 1226.)

(3) "On September 29, 1924" [nearly two years after the patentees had cancelled their original claims and had substituted a single claim for a process not here involved] "before any use of the invention in this country, claims corresponding in scope to claims 5, 6, 7 and 11 were asserted in the United States application. After March 31, 1925, claims corresponding in scope to claims 8 and 9 in suit were asserted in the application. There were no

> intervening rights of any sort established by the appellee or by the public in the interval between November 25, 1922, and March 31, 1925 * * * ". (Vol. III, pp. 1230, 1231.)

The testimony is positive and not disputed that in 1923 Western Electric engineers had taken photographs of objects and photographs of sound on separate films adapted for later composite printing on one film, and had separately developed those films (Vol. I, p. 358); and at that time were thoroughly familiar with the photographic operation involved in printing the two photographs so taken and developed upon a single positive film (Vol. I, p. 355). In fact, one of the Western Electric engineers, Dr. Wente, described that process in a patent application filed April, 1924 (Vol. II, p. 604). The statements of the Court of Appeals in (2) and (3) above are erroneous.

As to the first point, we respectfully submit that no such problem existed. The "bringing together on one positive film" of the picture and sound records was not a problem. The only act or operation involved was printing the two negative films on one positive film. This was done in the prior Greensfelder patent No. 1,254,684, filed in 1916 (II, p. 701), as follows (p. 3, l. 128-p. 4, l. 8):

> "A developed negative containing the rows of '*sound* marks', but on which the spaces for the pictures are blank, is superimposed upon a developed negative properly pieced and joined and having the *pictures* photographed thereon but having spaces for the 'sound marks' left blank, and *a print is made from this combined negative which will give a positive containing the pictures 4 and the corresponding rows of 'sound marks' 3, shown in Fig. 3.*"

And the idea of *separately* developing sound and picture negatives in a manner appropriate for each had been fully disclosed by the prior Bullis patent, No. 1,335,651, filed in 1915 (Vol. II, p. 714).

There was no patentable invention in the patented process. As the District Court held (4 F. Supp. 462, 469; Vol. III, pp. 1195, 1196):

> "The alleged invention of the claims in suit is a process and not an article or product.
>
> "A process consists of certain steps or operations in which the invention, if any, must reside. Cochrane *v.* Deener, 94 U. S. 780; Walker (6th Edition) § 19.
>
> "The patent in suit is entitled 'Process for Producing Combined Sound and Picture Films.' It is merely an example of composite or combination printing, a term applied to the making on a single piece of photographic sensitive material prints or impressions from two or more separate negatives, which is very old.
>
> "No photographic operation is involved which was not employed in the old art of composite printing which involved both simultaneous and consecutive exposure of separate negatives, separate development of those negatives in an appropriate manner and with different lengths of development, and both simultaneous and consecutive printing of the separate negatives on a single positive film; and was used in both black and white and color photography, and in both still and motion pictures, long before any date important here.
>
> "The patentees made no contribution to the art of photography.
>
> "Before 1900, sound was recorded photographically.
>
> "Photographic recording of sound with motion pictures and producing a combined sound and picture film, the same as the film in use to-day, is described in Haines British patent, No. 18,057, of 1906 [Vol. III, p. 1074.]
>
> "The composite printing process of the patent in suit for sound pictures was adopted as the need arose, and was used by Craig as early as 1913."

The alleged invention is purely a matter of photography. The situation is not affected in any way by the

fact that one of the films happens to be exposed to variations of light representing sound instead of the more conventional subjects.

The Court of Appeals selected claim 5 as typical. It is as follows:

> "5. A process for producing a combined sound and picture positive film, for talking moving pictures, comprising, **photographing** a sequence of pictures on one length of film, and simultaneously photographing on another length of film a corresponding sequence of sounds accompanying the action, **separately developing** the two negatives in a manner appropriate for each, and **printing** the sound and picture negatives respectively upon different longitudinally extending portions of the same sensitized film, to form the sound sequence at one side of and along the picture sequence."

The prior patent to Craig, No. 1,260,337, filed in 1913, (Vol. III, p. 861), fully anticipates this claim. Craig discloses simultaneous recording of sound and pictures on separate films, which are separately developed and then printed consecutively on the same positive film. Furthermore, the Greensfelder patent No. 1,254,684 (Vol. II, p. 701) discloses non-simultaneous recording of sound and pictures on separate films, which are separately developed, and printed **on the same side** of the same positive film. And the Bullis patent No. 1,335,651 (Vol. II, p. 714) discloses the simultaneous recording and separate development of the sound and picture records, which are printed on separate positive films and then joined together so as to form a single integral film for reproduction. Moreover, Bullis gave each negative film a special development treatment suitable for it (Vol. II, p. 716, lines 12-22; 28-47; p. 716, l. 102 to p. 717, l. 21).

The patent being thus completely anticipated, the Court of Appeals could not sustain it without resorting to alleged distinctions, which are not matters of substance, and which could not in any event patentably distinguish the

processes disclosed in the prior patents mentioned from the process of the patent in suit. (See the appellate court's opinion, Vol. III, pp. 1229, 1230). For example, the difference which the Court of Appeals found in the Craig patent was that Craig printed his two negatives on opposite sides of the positive film instead of **on the same side**, but if that could be a matter of substance—it is not recited in claim 5, above—it was nevertheless clearly taught in the Greensfelder patent, as we have already pointed out. Moreover, neither the application for the patent in suit as filed, nor the specification of the patent as issued, contains any statement that the two records are to be printed **on the same side** of the film, to say nothing of any emphasis upon this as an essential or important part of the supposed invention. The complete specification of the application as originally filed is printed in Appendix A hereto.

It is inconceivable to us that this Court would permit such a vast monopoly to be upheld on any such distinction as that upon which the opinion of the majority of the Court of Appeals is based.

At several places in the opinion of the Court of Appeals, the intermediate step of separately developing the two records is emphasized, which feature is fully disclosed in the Bullis patent (Vol. III, p. 714). Nevertheless, that court also sustained the two broad claims 8 and 9, apparently overlooking the fact that they do not contain this intermediate step. Moreover, the Court of Appeals ignored the fact that Craig was denied claims of the same scope in 1913, when Craig filed his application for patent No. 1,260,337, here relied upon (See Craig's cancelled claims, 1, 25 and 32, Vol. III, pp. 1029, 1037, 1039). If Craig was not entitled to such claims in a 1913 application, clearly the patentees of the patent in suit were not entitled to them in a 1922 application.

II. Reasons Relied Upon for the Granting of a Writ of Certiorari.

The discretionary power of this Court is invoked upon the following grounds:

(1) Because of the equal division and sharp conflict of opinion of the judges in the courts below in a case of very great industrial and public importance, involving an attempt to dominate one of the largest industries of the country which affects millions of people.

(2) Because the decision of the Court of Appeals is diametrically opposed to and in direct conflict with the decision of this Court in *De Forest Radio Co.* v. *General Electric Co.*, 283 U. S. 664, as to what is and is not a patentable invention warranting a seventeen year monopoly, and as to when advance in the art or extensive commercial use may be thrown in the scale to support invention. The Court of Appeals has adopted a much lower standard of invention than is laid down in the decisions of this Court.

(3) Because the decision of the Court of Appeals is in conflict with the decisions of this Court in *Brown* v. *Piper*, 91 U. S. 37; *Penn. Railroad* v. *Locomotive Truck Co.*, 110 U. S. 490; *Dreyfus* v. *Searle*, 124 U. S. 60, *Concrete Appliances Co.* v. *Gomery*, 269 U. S. 177, and other cases, which hold that a valid process patent cannot be based on the application of an old process to a new subject, with no change in the manner of application, and no result substantially distinct in its nature.

(4) Because the decision of the Court of Appeals is in conflict with the decisions of this Court in *Railway Co.* v.

Sayles, 97 U. S. 554, *Pattee Plow Co.* v. *Kingman*, 129 U. S. 294, and other cases, the Court of Appeals having sustained the validity of claims 8 and 9, which are for a different and broader alleged invention from that of the application as filed, the application having been unlawfully expanded during its long pendency in the Patent Office to cover the commercial art which had developed in the meantime.

(5) Because the decision of the Court of Appeals is in conflict with the very recent decision of the Court of Appeals for the Sixth Circuit in *Fruehauf Trailer Co.* v. *Highway Trailer Co.*, 67 F. (2d) 558. The Court of Appeals gave validity to the disclaimer, filed only five days before the trial, more than ten years after the application was filed, and more than a year after the patent issued, by which claims 6 and 7 were amended and rewritten, a purpose which the disclaimer statute was not intended to permit. Not only is it important to the public that this conflict be settled, but it is of paramount importance that this Court end the great abuse of the disclaimer statute so prevalent in recent years, and so well illustrated by the disclaimers involved in this case, the related case in the Third Circuit, and the conflicting case in the Sixth Circuit. (See the petition and brief in the Third Circuit case, pp. 16, 25.)

(6) Because the opinion of the Court of Appeals is in conflict with the decision of this Court in *Haughey* v. *Lee*, 151 U. S. 282, and other decisions of the federal courts. The Court of Appeals held (Vol. III, p. 1228) that the Western Electric Company, not a party—whose subsidiary, Electrical Research Products, Inc., also not a party, defended this suit—is not in a position to question the validity of the patent because one of its employees filed a

patent application containing a claim, later cancelled, for the same alleged invention, which claim, however, was immediately cancelled in view of the discovery and citation by the Patent Office of certain anticipating prior patents here relied upon. This Court held in *Haughey* v. *Lee, supra*, that such fact does not constitute an estoppel, and pointed out that (p. 285):

> "* * * the defence of want of patentable invention in a patent operates not merely to exonerate the defendant, but to relieve the public from an asserted monopoly, and the court cannot be prevented from so declaring by the fact that the defendant had ineffectually sought to secure the monopoly for himself."

In addition to its direct conflict with the law as thus pronounced by this Court, the decision of the Court of Appeals establishes a dangerous precedent in the Second Circuit, where more patent cases are tried than in any other Circuit. The soundness of this Court's holding in *Haughey* vs. *Lee, supra,* is clearly demonstrated in this case in which the entire motion picture industry would be prejudiced merely because one concern filed a patent application for the same alleged invention.

(7) Because the case involves an important question of patent law arising under the amendment of March 3, 1903 (32 Stat. L. 1225) to R. S. 4887 (35 U. S. C. 32), which should be settled by this Court. The question—also raised in the related case in the Third Circuit—is, what is the correct rule of law to be applied under the statute, as amended, to determine whether a prior foreign patent to the same patentees, filed more than twelve months before the United States patent, is or is not *for the same invention* as the United States patent.

Wherefore, your petitioner respectfully prays that a writ of certiorari be issued under the seal of this Court,

directed to the United States Circuit Court of Appeals for the Second Circuit, commanding the said Court to certify and send to this Court, on a day to be designated, a full and complete transcript of the record and all proceedings of the Circuit Court of Appeals had in this cause, to the end that this cause may be reviewed and determined by this Court, that the judgment of the Circuit Court of Appeals be reversed, and that petitioner be granted such other and further relief as may seem proper.

CHARLES NEAVE,
HENRY R. ASHTON,
Counsel for Petitioner.

July, 1934.

BRIEF FOR PETITIONER IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

The Opinions of the Courts Below.

The opinion of the District Court is reported in 4 F. Supp. 462 (Vol. III, p. 1173). The opinion of the Court of Appeals is reported in 71 F. (2d) 153 (Vol. III, p. 1225).

Jurisdiction.

The date of the judgment is June 11, 1934 (Vol. III, p. 1233). The statute under which jurisdiction is invoked is Section 240(a) of the Judicial Code (28 U. S. C. 347, as amended). Cases believed to sustain the jurisdiction are *DeForest Radio Co.* v. *General Electric Co.*, 283 U. S. 664; *Carbice Corporation of Am.* v. *American Patents Development Co. et al.*, 283 U. S. 27; and *Simmons* v. *Grier*, 258 U. S. 82.

Statement.

The facts, so far as this application is concerned, are sufficiently stated in the petition.

Specification of Errors.

The errors which petitioner will urge, if the writ of certiorari is granted, are that the majority of the Circuit Court of Appeals for the Second Circuit erred:

1. In reversing the decree of the District Court and holding patent No. 1,825,598 valid and infringed.

2. In failing to hold that patent No. 1,825,598 is invalid because of anticipation and also want of invention.

3. In adopting a lower standard of invention than that laid down in the decisions of this Court, and particularly in failing to follow the rules of law as to what constitutes invention and as to when advance in the art or extensive commercial use may be thrown in the scale to support invention, as stated in the decisions of this Court.

4. In failing to hold that the disclaimer is an invalid disclaimer and that the claims in suit are thereby shown to be invalid.

5. In failing to hold patent No. 1,825,598 invalid and unenforceable because unlawfully expanded in the Patent Office and because of intervening public and private rights.

6. In failing to hold that claims 8 and 9 of patent No. 1,825,598 are for a broader and different alleged invention from that of the application as filed.

7. In failing to hold patent No. 1,825,598 invalid under Revised Statutes Section 4887 (35 U. S. C. 32), because of the prior grant of French patent No. 532,750 to the same patentees for the same alleged invention, upon an application filed more than twelve months before the application for the patent in suit was filed.

8. In failing to hold that the patentees abandoned their alleged invention.

Summary of Argument.

The points of the argument follow the reasons relied upon for the allowance of the writ and, for the sake of brevity, are not repeated at this point.

Argument.

It would not be feasible, within the reasonable limits of a brief in support of a petition for a writ of certiorari, to discuss fully the merits of this case. For the convenience of the Court we have printed the opinions of the courts below in a separate pamphlet to be presented with this petition. The remainder of this brief is devoted to a discussion of the "special and important" reasons relied upon which should cause this Court to grant the writ and to review the case on the merits.

I. There is presented here an equal division and sharp conflict of opinion of the judges in the courts below in a case of very great industrial and public importance, involving an attempt to dominate one of the largest industries of the country which affects millions of people.

The four judges, who have passed upon this case, are evenly divided as to the validity of the patent in suit. We have pointed out in the petition the far-reaching importance of the case to the entire motion picture industry and others, and need not repeat that statement here. The case involves an attempt to dominate an entire industry which this Court has recognized as "an important element in the amusement life of the nation", *Motion Picture Patents Co.* vs. *Universal Film Mfg. Co. et al.*, 243 U. S. 502, 519. And the attempted domination, if equaled, is equaled only by the one which this Court condemned in the case cited.

The validity of a patent of such great industrial and public importance should not be permitted to rest upon the decision of two judges, where two other judges entertained the opposite view.

Because of these special circumstances, we strongly urge that this case calls for the exercise of this Court's power of supervision to the end that "the system of federal justice may be more appropriately administered".

II. The decision of the Court of Appeals is diametrically opposed to and in direct conflict with the decision of this Court in *De Forest Radio Co.* v. *General Electric Co.*, 283 U. S. 664, as to what is and is not a patentable invention warranting a seventeen year monopoly, and as to when advance in the art or extensive commercial use may be thrown in the scale to support invention. The Court of Appeals has adopted a much lower standard of invention than is laid down in the decisions of this Court.

(a) In the case cited, this Court held the Langmuir patent for the high vacuum tube invalid for want of patentable invention, because the principle or relationship of the degree of vacuum in the tube to ionization was already known. This Court said (pp. 678, 679):

> "That the high vacuum tube was an improvement over the low vacuum tube of great importance, is not open to doubt. Even though the improvement was accomplished by so simple a change in structure as could be brought about by reducing the pressure in the well known low vacuum tube by a few microns, still it may be invention. *Whether it is or not depends upon a question of fact, whether the relationship of the degree of vacuum within the tube, to ionization, and hence to the stability and effectiveness of discharge passing from cathode to anode, was known to the art when Langmuir began his experiments. If that relationship was then known, it required no inventive genius to avoid ionization and secure the desired result by creating the vacuum in a DeForest tube or other form of low vacuum discharge device.*
>
> "That this relationship was known was the fact found by the District Court and not challenged by the opinion of the Court of Appeals."

Here, also, the District Court found, and the fact was not challenged by the opinion of the Court of Appeals, that the alleged invention involved no photographic operation which was not employed in the old art of composite printing. The patentees disclosed no photographic principle, relationship, or practice, which had not been worked out and used many years before their alleged invention. Instead of constituting an important advance in the art, as the Court of Appeals held, the patent in suit added nothing whatsoever to existing photographic knowledge.*

To hold under these circumstances that there was invention in the patented process is clearly contrary to this Court's decision on the subject of invention in the *High Vacuum Tube Case, supra.* The Court of Appeals has ap-

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* The authority of the statements of petitioner's expert, Jones, on this subject, is of the highest order, but Jones' testimony was wholly ignored by the Court of Appeals. Jones is the head of the Physical Research Laboratory of the Eastman Kodak Company. He testified as follows (Vol. I, pp. 166, 167):

"Q. 103. Does the process of the patent in suit involve any photographic operations which are not involved in the ordinary art of composite printing, and if it does involve some additional operations, tell us what they are? A. *It involves nothing other than that known in the art of composite printing.*

"Q. 104. How about in composite printing using and subjecting the two negatives to different lengths of development? Was that done or was it not done? A. *Very common.*

"Q. 105. Did you do that composite printing yourself prior to April, 1921? A. Yes, I have often made prints, printing in clouds into landscapes without the clouds and other types of composite printing. *It was commonly used in pictorial photography.*

"Q. 106. How early did you do that? How far back did you do that work yourself? A. Oh, I imagine about in *1900.*

"Q. 107. And the Eastman Company, did it have

plied a standard of invention entirely out of line with the standard set by this Court, which should have been followed.

We most sincerely believe and urge that the Court of Appeals has erroneously invaded the field of the craftsman or engineer and in so doing has violated the established rules of law which set that field apart from the field of invention. The value of our patent system depends on a nice adjustment between invention and technical skill. While it is for the public interest that inventors should be confirmed in "the exclusive right" "for limited times" to "their respective discoveries", it is equally important that patentees should not be allowed to encroach upon the public domain by claiming as inventions improvements which are the result of mere skill or enterprise and, hence, within the right of any one to use. This Court has recognized these considerations in the decision in the *High Vacuum Tube*

> any experience, so far as you know, with composite printing prior to April, 1921? A. *Well, of course, the art and practice of composite printing has been so general that the Kodak Company has made materials which have been used for that purpose, in many cases special materials for the practice of combination printing.*
>
> "Q. 108. Now, will you state the steps involved in making composite prints such as you did them prior to 1921, and such as Eastman did them prior to 1921, beginning with the making of the separate records? A. *Well, two or more negatives are exposed, either on the same or different objects. These exposed negative materials are then developed separately in such a way as to give images of the character required for the subsequent operation of making the combination print. These are then printed together on a single piece of photographic material. They may be either adjacent, juxta-posed, or superposed, in register, on the same face or on opposite faces, as the case may be. There are any number of possibilities of combining the negatives in making combination printings.*"

Case, supra, in which a high standard of invention was established. That high standard should be maintained.*

We, therefore, submit that this Court should reaffirm its wise general rule and end such relaxation thereof as has occurred in the decisions in this and the closely related case in the Third Circuit.

(b) In the *High Vacuum Tube Case, supra,* this Court also said (p. 685):

> "*Only when invention is in doubt may advance made in the art be thrown in the scale to support it.* If we were to assume that invention here was doubtful, we can find little to suggest that the high vacuum tube when produced satisfied a long felt want or that its present utility is indicative of anything more than the natural development of an art which has passed from infancy to its present maturity since Langmuir filed his application."

In the present case the Court of Appeals said (Vol. III, pp. 1225, 1226):

> "The problem sought to be solved by the patent was bringing together on one positive film the picture record, which requires one type of development, and a sound record which requires a different type of development. Its accomplishment marked an important advance in the art."

We have shown in the petition that no such problem existed, and that there was no room for the exercise of invention in this old, highly developed, and crowded art of composite printing. Under these circumstances, it is clear that the Court of Appeals departed radically from the rule just quoted from this Court's opinion in the *High Vacuum Tube Case.*

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* Other cases are: *Electric Cable Joint Co.* v. *Brooklyn Edison Co.,* 54 S. Ct. 586; *Saranac Corp.* v. *Wirebounds Patents Co.,* 282 U. S. 704; *Thompson Spot Welder Co.* v. *Ford Motor Co.,* 265 U. S. 445; *Carbice Corp.* v. *American Patents Development Co.,* 283 U. S. 420, 422; and *Hollister* v. *Benedict,* 113 U. S. 59, 73.

The Court of Appeals also stressed the extensive commercial use of the alleged invention, stating, (Vol. III, p. 1226), that its universal use "speaks for the merit of the inventive thought therein involved", and (Vol. III, p. 1228):

> "The commercial use of the patented process is fullsome testimony of its inventive worth. The result of testing it by the inquiry, as it should be, of what has been the commercial success of the invention rather than the appellant's commercial success, adds greatly to its validity."

The District Court found as facts (Vol. III, p. 1202):

> "*No commercial success is shown by the plaintiff and the patentees made no real contribution to the art. The success of the defendant, its licensor and its licensees, is due to the many inventions of the Western Electric Company, without which success would have been impossible.*"

The process of the patent in suit had nothing whatsoever to do with the success of talking motion pictures. That success was due to developments in the electrical art made in this country, principally by the research engineers associated with the American Telephone & Telegraph Co. and the General Electric Co., and their respective affiliated companies, without which the high quality sound recording and reproduction essential to success could not be attained. These developments are discussed in the petition for rehearing submitted to the Court of Appeals in this case to which petition we direct this Court's attention (Vol. III, p. 1239).

This Court has frequently held, not only that extensive commercial use is an unsafe guide on the question of invention, but also that it cannot be relied upon to turn the scale in favor of the patent unless invention is in doubt. *Duer* v. *Corbin Cabinet Lock Co.*, 149 U. S. 216, 223, and *McClain* v. *Ortmayer*, 141 U. S. 419, 428, 429. The Court

of Appeals clearly violated this rule. It is also important to observe that the Court of Appeals could not attribute any of the extensive use of the alleged invention to any commercial activity of the patentees or of the respondent. It, therefore, adopted as a corollary of the rule it assumed to apply, without citing any precedent therefor, that the determining factor is not the patentee's or patent owner's commercial success but the commercial success of the alleged invention.

The decision below is such a radical departure from the rules established by this Court on the subject of invention that the decision should be promptly reversed by this Court.

III. The decision of the Court of Appeals is in conflict with the decisions of this Court in *Brown* v. *Piper*, 91 U. S. 37, *Penn. Railroad* v. *Locomotive Truck Co.*, 110 U. S. 490, *Dreyfus* v. *Searle*, 124 U. S. 60, and other cases, which hold that a valid process patent cannot be based on the application of an old process to a new subject, with no change in the manner of application, and no result substantially distinct in its nature.

The District Court found (Vol. III, p. 1199):

> "It was everyday practice in the motion picture industry, as early as 1908, to print on standard positive film composite pictures from separately developed negatives.
>
> "See testimony of Nonnenbacher, and Meester patent No. 1,286,383; British patent to Rossi, No. 21,467 A. D. 1902; and British patent to Downing, No. 6,727 A. D. 1913."

In addition to the prior patents mentioned, the District Court was referring here to the prior use of the Biograph

Company, which, at least as early as 1908 in making motion pictures, took two series of pictures, each on separate motion picture films, developed them separately in a manner appropriate for each, and printed them on the same side of the same positive film (Nonnenbacker, Vol. I, 128-134). The Court of Appeals completely ignored this prior use and also unsoundly distinguished the prior Rossi British patent referred to above, which disclosed a similar process, on the ground that that patent does not "disclose any process whereby the single positive film may be produced with *sound* and picture sequences after development of each to their respective requirements" (Vol. III, p. 1229). *The Court of Appeals disregarded the essential fact that the sound record is merely another photograph.*

If the anticipating prior art referred to in the petition (*supra*, p. 9), in which separately recorded and separately developed sound and picture records were printed on the same positive film, be disregarded, nevertheless the Court of Appeals should have found the patent in suit invalid under the rule established in the cases cited in the heading. The process used by the Biograph Company was not changed in any way when it was adopted by the patentees of the patent in suit. Indeed, it even takes a stretch of the imagination to say that the patentees applied the Biograph process to a new subject, the sole difference in what they did being that the pictures (exposure of the photographic emulsion to the action of light) of persons, things and places on one of the films were replaced by pictures (exposure of the photographic emulsion to the action of light) representing sound waves. In the opinion, the Court of Appeals itself refers to the sound record as "a photographic **picture** of sound waves" (Vol. III, p. 1229).

In the Biograph practice there were two photographs of things, each on a separate film, which were combined by printing on the same side of a single positive film. In the instant case, there were again merely two photo-

graphs, one of things, and one of sound, which were combined in the same way by the same operations. The real problem was to translate the sound waves faithfully into electrical variations and then amplify them faithfully so that a good photograph corresponding to the sound could be taken. The patent in suit had nothing to do with that. Once such a photograph of the sound was available, the prior art clearly taught all the operations necessary to produce the composite print.

To sustain a process patent, it is not enough that the product produced by the process may be different in some respect from that produced by a former process. **The process itself must possess novelty.** In the leading case of *Brown* v. *Piper*, 91 U. S. 37, the patent in suit was for a process of preserving fish. Referring to a prior patent, this Court said (p. 41):

> "Here was the application of the requisite degree of cold exactly in the manner called for in the specification of the appellee.
>
> "This is hardly denied; but it is insisted that the process was never applied by the witness to the preservation of fish and meats.
>
> "The answer is, that this was simply the application by the patentee of an old process to a new subject without any exercise of the inventive faculty, and without the development of any idea which can be deemed new or original in the sense of the patent law. The thing was within the circle of what was well known before, and belonged to the public. No one could lawfully appropriate it to himself, and exclude others from using it in any usual way for any purpose to which it may be desired to apply it."

And, in *Penn. Railroad* v. *Locomotive Truck Co.*, 110 U. S. 490, where the patent in suit was for trucks for railway cars, this Court said (p. 494):

> "It is settled by many decisions of this court, which it is unnecessary to quote from or refer to in detail, that the application of an old process or machine to a similar or analogous subject, with no change in the

> manner of application, and no result substantially distinct in its nature, will not sustain a patent, even if the new form of result has not before been contemplated."

The decision in *Dreyfus* v. *Searle,* 124 U. S. 60, 63, is to the same effect. And, in *Concrete Appliances Co.* v. *Gomery,* 269 U. S. 177, 184, 185, this Court recently held:

> "Failure to make use of these obviously applicable *methods* and appliances in combination, suitable to the particular work in hand, in dealing with a new plastic material capable of similar treatment, would, we think, have evidenced a want of ordinary mechanical skill and of familiarity with construction problems and *methods.*"

The decision of the Court of Appeal is in sharp conflict with these decisions, and should, therefore, be overruled.

IV. The decision of the Court of Appeals is in conflict with the decisions of this Court in *Railway Co.* v. *Sayles,* 97 U. S. 554, *Pattee Plow Co.* v. *Kingman,* 129 U. S. 294, and other cases, the Court of Appeals having sustained the validity of claims 8 and 9, which are for a different and broader alleged invention from that of the application as filed, the application having been unlawfully expanded during its long pendency in the Patent Office to cover the commercial art which had developed in the meantime.

The District Court found (4 F. Supp. 464; Vol. III, p. 1178):

> "More than nine years elapsed between the date of the filing of the application in question in the United States Patent Office and the date of the granting of the patent in suit, and the claims in suit were introduced by amendment dated **July 15, 1931.**

"During that long period of time the defendant and the Western Electric * * * engaged extensively in the commercial distribution of said Western Electric talking motion picture sound recording and reproducing systems."*

And, (4 F. Supp. 466; Vol. III, p. 1184):

"The original specifications were amended to state that the separate development step might be eliminated.

"This amendment invalidated the two-step claims [claims 8 and 9], as a separate development to overcome under and over exposure of the different picture scenes was the most important part of the disclosure, and by its elimination the invention claimed therein was different and broader than the one disclosed by the patentees in their application as filed."

And, (4 F. Supp. 469; Vol. III, pp. 1194, 1195):

"Further, the two-step claims in suit and the broadening amendments were not inserted until July 15, 1931, and that was long after the process had gone into public use, and such an attempt should be regarded by the courts with disfavor. *Chicago & N. W. Railway Co.* v. *Sayles,* 97 U. S. 554, 563, 24 L. Ed. 1053.

"Plaintiff contends that it made a two-step claim as early as July, 1925, which was when it found the De Forest patent, but even then it was **new matter** and was not accompanied by the broadening amendments to the specification inserted **July 15, 1931.**"

The prosecution of the application for the patent in suit is subject to the same objections as that of the patents involved in *De Forest Radio Co.* v. *General Electric Co.,* 283 U. S. 664, and *Powers-Kennedy Co.* v. *Concrete Co.,* 282 U. S. 175, 178. In the former case this Court said (p. 675):

"The application, filed October 16, 1913, was pending for twelve years before it was issued October 20,

* The process was used by the leading motion picture producers before 1931.

> 1925, a period which witnessed the most important beginnings and many of the chief developments of the radio art."

And, in the latter case (p. 178):

> "The application was filed in the Patent Office on January 14, 1907. Its prosecution was most dilatory. Claims made were repeatedly disallowed * * *. Radical changes were made in the statement of invention and radically new claims were made in 1911 and expanded in 1913."

Here, claims 8 and 9 of the patent in suit, which are broader than the alleged invention of the application as filed, were not inserted in the application until July 15, 1931 (Vol. II, p. 542), long after the alleged invention had gone into extensive public use. And the broadening amendments to the specification, which state that the separate development—the gist of the original disclosure—may be omitted, were introduced at the same late date (Vol. II, p. 540). Compare the specification as originally filed (Appendix A) and the specification of the patent as issued (Vol. II, p. 468).

The decision of the Court of Appeals, sustaining claims 8 and 9, is in direct conflict with the decisions of this Court in *Railway Co.* v. *Sayles*, 97 U. S. 554, and *Pattee Plow Co.* v. *Kingman*, 129 U. S. 294. In the former case this Court said (p. 563):

> "It will be observed that we have given particular attention to the original application, drawings, and models filed in the Patent Office by Thompson and Bachelder. We have deemed it proper to do this, because, if the amended application and model, filed by Tanner five years later, embodied any material addition to or variance from the original,—any thing new that was not comprised in that,—such addition or variance cannot be sustained on the original application. *The law does not permit such enlargements of an original specification, which would interfere with*

other inventors who have entered the field in the meantime, any more than it does in the case of reissues of patents previously granted. Courts should regard with jealousy and disfavor any attempts to enlarge the scope of an application once filed, or of a patent once granted the effect of which would be to enable the patentee to appropriate other inventions made prior to such alteration, or to appropriate that which has, in the meantime, gone into public use.''

As stated in the above quotation, the same rule maintains in the reissue cases in which this Court has frequently held reissue patents invalid because for an invention different from and broader than the original. *Pattee Plow Co.* v. *Kingman*, 129 U. S. 299, is such a case, in which the facts closely resemble those here. This Court held (p. 299):

> "There is, therefore, an omission in the latter combination, which tends, by reducing the number of elements, to render its scope less narrow than that of the original. * * *
>
> "* * * it is well settled that a reissue can only be granted for the same invention intended to be embraced by the original patent, and the specification cannot be substantially changed, either by the addition of new matter or the omission of important particulars, so as to enlarge the invention as intended to be originally claimed."

The erroneous decision of the Court of Appeals, sustaining the broad claims 8 and 9, permits the respondent to claim a broad monopoly of all motion picture films on which sound and picture records are printed from separate simultaneously recorded sound and picture negatives, and notwithstanding the patentees' application as originally filed was not an application for any such invention. We respectfully submit that this fact alone should induce this Court to review this case and remove the conflict with the cases cited.

V. The decision of the Court of Appeals is in sharp conflict with the very recent decision of the Court of Appeals for the Sixth Circuit in *Fruehauf Trailer Co.* v. *Highway Trailer Co.*, 67 F. (2) 558. The Court of Appeals in the present case gave validity to the disclaimer by which claims 6 and 7 were amended and rewritten, a purpose which the disclaimer statute was not intended to permit.

In 1930 this Court granted a writ of certiorari in *Ensten et al* v. *Simon, Ascher & Co., Inc.*, 282 U. S. 445, because of the conflict of decisions of the Second and Seventh Circuit Courts of Appeal as to the meaning of the disclaimer statutes (R. S. 4917 and 4922; 35 USC 65 and 71, printed in Appendix B). The question raised was as to how soon after a decision of a court, holding a patent claim invalid from which decision no appeal is taken, the patentee must file his disclaimer to save the remainder of his claims from invalidity. This Court decided under the particular facts of the case that the patentee had unreasonably delayed and had, therefore, not brought himself within the beneficent provisions of the statute.

The disclaimer involved in that case was a disclaimer of an entire claim. The Court did not have before it the type of disclaimer which is involved here. The disclaimer statutes were intended to permit a patentee to disclaim an entire claim but patentees, especially in recent years, have not been content to do merely that. *Under the guise of disclaimer, they have, as here, amended their claims without disclaiming them, so as in effect to make for themselves a new patent, a purpose which the disclaimer statute was not intended to permit, as the District Court held in the present case.*

Here, the patentees under the guise of disclaimer amended claims 6 and 7, which were two step claims for exposing and printing only and clearly invalid over the prior art, by inserting a third step, namely separate development thereby making an entirely new claim which has never been passed upon by the Patent Office. (See the disclaimer, Appendix C). Furthermore, the disclaimer was not filed until five days before the trial began, more than ten years after the application was filed, and more than a year after the patent issued. This was after the respondent had been fully informed of petitioner's process and of all the prior art which was to be relied upon. The Court of Appeals sustained these claims, thus giving effect to the disclaimer, as did also the Court of Appeals for the Third Circuit give effect to the same vicious type of disclaimer in the related case in the Third Circuit. (See petition and brief in that case, pp. 16, 25).

The issue, as to whether a patentee may employ the disclaimer statutes to make for himself a new patent, is thus sharply drawn between the decisions of the Second and Third Circuits in the instant cases and that of the Sixth Circuit in *Fruehauf Trailer Co.* v. *Highway Trailer Co.*, 67 F. (2d) 558. The latter court held (pp. 559, 560):

> "The enactment of Rev. St. § 4917 (35 USCA § 65), was never intended to permit the revamping and rephrasing of claims to the end that they might cover structures upon which they did not before read, or to the end that, by the addition of a new element in combination, the disclaimer might validate a claim which would otherwise be invalid under the prior art. This is not limiting the combination already claimed; it is in effect claiming a new and a different combination, [citing cases]. The function of a disclaimer is well stated in the leading case of Hailes v. Albany Stove Co. 123 U. S. 582, 587. * * * It must cover 'a separate claim in a patent, or some other distinct and separable matter, which can be exscinded without mutilating or changing what is left standing.' *It cannot be used to change the character of the invention,*

> *or, in effect, to make for the patentee a new patent. This is fundamental.* • • •
>
> *"Tested by these standards, both disclaimers are invalid."* •

The question now raised was also raised in the case of *Thropp's Sons Co.* v. *Seiberling*, 264 U. S. 320, 330, 331, decided in 1924, but unfortunately this Court did not pass upon the matter, having found the patent invalid for lack of invention.

In the *Ensten Case, supra*, this Court said (p. 452):

> "Escape [under the statute] is permitted only to one who acted originally in good faith and who has complied with the prescribed condition".

And, this Court pointed out (p. 453), that if the delay which the Court condemned, was permitted—

> "• • • a patentee having procured allowance of an invalid claim may hold it in the face of the public for years (here nearly two years) with large possible advantage to himself and much injury to others. By the assertion of his apparent monopoly he may deter others from legitimate action and seriously prejudice the public."

We respectfully submit that the vicious abuse and misuse of the disclaimer statute, which we are here asking this Court to end, is even more prejudicial to the public than that condemned in the *Ensten Case*. The disclaimer statutes were never intended to permit a patentee to amend and rewrite his claims so as to make for himself a new patent, without any supervision of the Patent Office to which alone Congress delegated the authority of issuing

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• Other authorities are Walker on Patents, 6th Ed., p. 334; *Gen. Motors Corp.* v. *Rubsam Corp.*, 65 F. (2d) 217 (C. C. A. 6); *Linville* v. *Milberger*, 34 F. (2d) 386, 390 (C. C. A. 10); *Enameled Metals Co.* v. *Western Conduit Co.*, 269 Fed. 620, 624, 629 (C. C. A. 6); *Frigidaire Corp.* v. *General Necessities Corp.*, 32 F. (2d) 277, 278.

patents for inventions. The conflict of decisions which now exists, as well as the importance to the public of obtaining the authoritative decision of this Court on this question of statutory construction, are persuasive reasons for the allowance of the writ.

VI. The opinion of the Court of Appeals is in conflict with the decision of this Court in *Haughey* v. *Lee*, 151 U. S. 282, and other decisions of the federal courts.

The Court of Appeals said and held (Vol. III, p. 1228):

> "The Western Electric Co. scientist, Dr. Wente, applied for a patent disclosing and claiming the invention of the patent in suit. * * *
>
> "And after that experience, it is now argued, by the Western Electric Co. which is defending this suit, that there is no validity. **That Company is hardly in a position to question validity of the patent.** *DuBois* v. *Kirk*, 158 U. S. 58; *General Knit Fabric Co.* v. *Steber Machine Co.*, 194 Fed. 99 (C. C. A. 2); *Sugar Apparatus* v. *Yaryan*, 43 Fed. 140, 144."

In the petition for rehearing in this case (Vol. III, pp. 1244, 1245), which was denied, we requested the Court of Appeals to correct the dangerous precedent which its decision thus established. We pointed out the direct conflict with *Haughey* v. *Lee*, 151 U. S. 282, and the erroneous citation of *DuBois* v. *Kirk*, 158 U. S. 58, which holds merely that a defendant, who is using an invention, cannot deny its **utility**, and not that a defendant, who at one time claimed the same invention, cannot deny **validity**.

We quote from the opinion in *Haughey* v. *Lee*, 151 U. S. 282, 285:

> "There is no merit in the proposition made in the second assignment of error, that defendants are estopped from asserting that there is no patentable

> novelty in plaintiff's invention, by their conduct in seeking to procure, through one of their employes, a patent for substantially the same invention. Whether or not there is any inconsistency in trying, at one time, to get a patent for a supposed invention, and in afterwards alleging, as against a rival successful in obtaining a patent, that there is no novelty in the invention, it certainly cannot be said to constitute an estoppel. *Besides the defense of want of patentable invention in a patent operates not merely to exonerate the defendant, but to relieve the public from an asserted monopoly, and the court cannot be prevented from so declaring by the fact that the defendant had ineffectually sought to secure the monopoly for himself.*"*

The decision of the Court of Appeals is tantamount to a holding that invention can be created by estoppel, which leaves out of account entirely the public interest and precludes the court from exercising its judicial function of deciding the question of invention as required by law. There could be no true estoppel in any event in this case because the defendant is the Paramount Company, and the Wente application was filed by the Western Electric Company, whose subsidiary, Electrical Research Products, Inc., is defending the case, although not a party defendant.

The present case demonstrates the soundness of this Court's holding in Haughey v. *Lee, supra. The decision of the Court of Appeals would prejudice substantially the*

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* The decision of the Court of Appeals is also in conflict with the following decisions of the federal courts: *Osgood Dredge Co.* v. *Metropolitan Dredging Co.*, 75 Fed. 670, 673 (C. C. A. 1); *McCloskey* v. *Toledo Pressed Steel Co.*, 30 F. (2d) 12 (C. C. A. 6), in which certiorari was denied, 280 U. S. 556; *Allbright-Nell Co.* v. *Autosteam Process Co.* (C. C. A. 7), 21 U. S. Patent Quarterly 401, not yet officially reported; and *Smokador Mfg. Co.* v. *Tubular Co.*, 25 F. (2d) 948 (D. C. Conn.). See also *Hill* v. *Wooster*, 132 U. S. 693, 698, and *Palmer Tire Co.* v. *Lozier*, 90 Fed. 732 (C. C. A. 6), involving the similar question arising under R. S. 4918 (35 U. S. C. 66).

entire motion picture industry of this country, merely because a single concern filed a patent application for the same alleged invention. It is of great importance to the motion picture industry, and to the general public that the District Court, which disposed of this matter in the following way, should be upheld (4 F. Supp. 465, 466):

> "The plaintiff urges that defendant cannot with good grace contest patentability, in view of the application of Wente, a research engineer of the Western Electric Company, to which he assigned such application; but this contention was not sustained. Wente did make broad claims as is customary, [*Westinghouse Co.* v. *Formica Co.*, 266 U. S. 342, 354, 355; Walker on Patents (6th Ed.), p. 191] but those broad claims were canceled on the first amendment, and as I believe on Greensfelder [Patent No. 1,254,684, *supra*, pp. 7, 9], rather than on the Vogt British patent. In any event, claims similar to some of the Wente claims so canceled were made by Craig [Patent No. 1,260,337, *supra*, p. 9], in 1913, and canceled as unpatentable at that time.
>
> "The claims of the patent granted to Wente are limited [Wente patent No. 1,656,255, Vol. II, p. 641], and I do not see how his application prejudices the defense in this action."

This Court should reverse the decision of the Court of Appeals because it is contrary to sound judicial policy on this point, and also because it is in direct conflict with Haughey vs. *Lee, supra, and with the decisions in other Circuits, which we have cited.*

VII. The case involves an important question of patent law arising under the amendment of March 3, 1903 (32 Stat. L. 1225) to R. S. 4887 (35 USC 32), which should be settled by this Court. The question—also raised in the related case in the Third Circuit—is, what is the correct rule of law to be applied under the statute, as amended, to determine whether a prior foreign patent to the same patentees, filed more than twelve months before the United States patent, is or is not for *the same invention* as the United States patent.

The pertinent part of the statute, as amended, is quoted below.*

The object of the statute is to synchronize the patent system of this country with those of other countries so that United States patents will not monopolize here inventions which have been freed from patent monopoly abroad.

Prior to the amendment of 1903, the statute provided that a United States patent should expire at the same time as the foreign patent to the same patentees for the same invention, or, if there be more than one such foreign patent, at the same time with the one having the shortest term. The statute in that form was last applied by this

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* "No person otherwise entitled thereto shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented by the inventor or his legal representatives or assigns in a foreign country, unless the application for said foreign patent was filed more than twelve months, in cases within the provisions of section forty-eight hundred and eighty-six of the Revised Statutes, * * * prior to the filing of the application in this country in which case no patent shall be granted in this country."

Court in 1915 in *Fireball Gas Tank & Illuminating Co.* v. *Commercial Acetylene Co. et al.*, 239 U. S. 156, and prior to that it was applied in several cases, including *Leeds & Catlin* v. *Victor Talking Mach. Co.*, 213 U. S. 301 (1909); *Commercial Mfg. Co.* v. *Fairbank Canning Co.*, 135 U. S. 176 (1890); and *Siemens* v. *Sellers*, 123 U. S. 276 (1887).

Relying on the *Leeds & Catlin Case* and the *Fireball Case, supra*, the Court of Appeals held (Vol. III, pp. 1231, 1232), that French patent No. 532,750 (Vol. III, pp. 936, 938), granted to the patentees of the patent in suit on Nov. 21, 1921, upon an application filed March 25, 1921, which is more than twelve months prior to March 29, 1922, the filing date in this country of the application for the patent in suit, is not for **the same invention** as the patent in suit and, therefore, does not invalidate the patent in suit under the statute. The District Court found otherwise. The facts are fully stated in that court's opinion (Vol. III, pp. 1202-1205), and show clearly that the French patent is for the same invention.*

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* The most pertinent parts of the *resumé* of the French patent are as follows (Vol. III, p. 941):

> "This invention refers to a photo-phonetic film to accompany images or pantomime, produced by transverse light markings, and showing the following characteristic features which can be taken advantage of either separately or *in combination:* * * *
>
> 2. *Its impression, simultaneous with the original motion picture recording, by sound sources which are not scenic (or, at least, are only partially scenic)*; * * *
>
> 5. *The copying of two series of photograms of the picture and accompaniment films on the same film band;* * * *

Thus there is claimed *in combination* under 2, simultaneous recording of sound and pictures on separate films, which, being separate, are of necessity separately developed (Vol. I, pp. 92, 189, 190, 452), and, under 5, printing of the two films on one positive film.

The District Court construed the statute as follows (Vol. III, p. 1205):

> "What is required to constitute identity of a patent within the purview of Section 4887 is substantial not formal identity of invention, as covered by the claims."

The Court of Appeals applied a much stricter rule, as follows (Vol. III, p. 1231):

> "To constitute invalidity of the present patent by the French application, it must be shown that the inventions actually **claimed** in that foreign country and those of the patent in suit are **identical.**"

In other words if the inventions are substantially the same, but the claims are not "identical", the patenting abroad does not invalidate, according to the Court of Appeals. It is clear that the Court of Appeals erred and that the patent in suit is invalidated by the French patent. In applying the statute in the cases cited, certainly this Court did not intend to subordinate substance to form. Nevertheless, that is the practical result of the interpretation which the Court of Appeals placed upon those decisions.

In its attempt to distinguish the French patent, the Court of Appeals stated that it did not disclose the step of separate development (Vol. III, p. 1232). But the record shows that the separately recorded records of the French patent are of necessity separately developed (Vol. I, pp. 92, 189, 190, 452). Moreover, the Court of Appeals sustained claims 8 and 9, which omit entirely the separate development step, and the two other steps of these claims are fully set forth in the *resumé* of the French patent.

Furthermore, French patents, like Italian and some other foreign patents, have no formal claims as do United States patents. Under such circumstances, as was held by Judge Severens in *Western Electric Co.* v. *Citizens*

Telephone Co., 106 Fed. 215, in applying the statute as against an Italian patent (p. 218):

> "The question, then, is whether the Eldred invention covered by his home patent was patented by the one taken out in Italy * * * where formal claims are dispensed with, the matter of the invention is gathered from the specifications and the drawings or models. A careful study of the Eldred Italian patent leaves no doubt that it does embody the very matter of many of the claims in his home patent; * * *"

And the same is true of the French patent here involved.

The object of the statute has not been achieved in this case. We, therefore, submit that this Court should state for the benefit of the public as a whole the rule of law to be applied by the subordinate federal courts under the statute in its present amended form.

Conclusion.

The petition in this case is based upon questions of vital and far-reaching industrial and public importance, which have been decided by a divided Court of Appeals contrary to the principles of law laid down by this Court as guides in protecting the public against unwarranted monopoly.

It is earnestly urged that the petition be granted.

Respectfully submitted,

CHARLES NEAVE,
HENRY R. ASHTON,
Counsel for Petitioner.

August, 1934.

APPENDIX A.

The Specification of The Application for the Patent in Suit as Originally Filed in the United States Patent Office on March 29, 1922.

"In the production of speaking films it is of great advantage especially from the point of view of use, to arrange the sound sequence and the picture sequence upon one and the same material separate (film).

"In this procedure, however, there frequently occur in consequence of the changing lighting conditions in the cinematographing process, changes in the degree of light and the bromide of silver layer, and this causes the picture sequence to be either overlighted or underlighted.

"As the same film, however, bears close to the picture sequence the continuously normally lighted sound sequence, these differences cannot be removed in the case of combined negatives, by developing, weakening, strengthening and so forth.

"They can only be removed by subjecting the underlighted or the overlighted negative places to separate corresponding treatment.

"Technically, this treatment is practically impossible so long as the two sequences are photographed upon the same film.

"According to the present invention the difficulty is overcome by either employing entirely separate films for the production of the negatives, or films which are connected during the photographing, but which are separated from one another before the developing.

"The synchronism is assured in both cases by the perforations and by corresponding marks. The production of the positive films can take place by copying the two negative films preferably consecutively upon the same positive films.

"One can, however, also unite previously the two negative films longitudinally together, and then copy this so united negative in the usual manner."

APPENDIX B.

The Disclaimer Statutes.

"Whenever, through inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, a patentee has claimed more than that of which he was the original or first inventor or discoverer, his patent shall be valid for all that part which is truly and justly his own, provided the same is a material or substantial part of the thing patented; and any such patentee, his heirs or assigns, whether of the whole or any sectional interest therein, may, on payment of the fee required by law, make disclaimer of such parts of the thing patented as he shall not choose to claim or to hold by virtue of the patent or assignment, stating therein the extent of his interest in such patent. Such disclaimer shall be in writing, attested by one or more witnesses, and recorded in the Patent Office; and it shall thereafter be considered as part of the original specification to the extent of the interest possessed by the claimant and by those claiming under him after the record thereof. But no such disclaimer shall affect any action pending at the time of its being filed, except so far as may relate to the question of unreasonable neglect or delay in filing it (R. S. 4917; 35 U. S. C. 65).

"Whenever, through inadvertence, accident, or mistake, and without any willful default, or intent to defraud or mislead the public, a patentee has, in his specification, claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the original and first inventor or discoverer, every such patentee, his executors, administrators, and assigns, whether of the whole or any sectional interest in the patent, may maintain a suit at law or in equity, for the infringement of any part thereof, which was *bona fide* his own, if it is a material and substantial part of the thing patented, and definitely distinguishable from the parts claimed without right, notwithstanding the specifications may embrace more than that of which the patentee was the first inventor or discoverer. But in every such case in which a judgment or decree shall be

rendered for the plaintiff, no costs shall be recovered unless the proper disclaimer has been entered at the Patent Office before the commencement of the suit. But no patentee shall be entitled to the benefits of this section if he has unreasonably neglected or delayed to enter a disclaimer (R. S. 4922; 35 U. S. C. 71).

APPENDIX C.

Disclaimer.

(Filed in Patent Office on Nov. 23, 1932.)

To the Hon. Commissioner of Patents:

Your petitioner, American Tri-Ergon Corporation, a corportaion organized and existing under the laws of the State of New York and having a place of business in the City, County and State of New York, represents that in the matter of certain improvements in Process for Producing Combined Sound and Picture Films, for which Letters Patent of the United States No. 1,825,598 were granted on September 29, 1931, to said American Tri-Ergon Corporation, as assignee by mesne assignments of the inventors, Hans Vogt, Joseph Massolle and Josef Engl, said corporation is the owner of the entire right, title and interest under an assignment dated June 6, 1930 and recorded in the Transfers of Patents of the United States Patent Office, July 3, 1930, Liber T 144, pages 192 to 199, and other assignments referred to in said assignment, and that your petitioner has reason to believe that through inadvertence and without any fraudulent or deceptive intention, the specification and claim of said Letters Patent are too broad, including that of which said inventors were not the first inventors. Your petitioner therefore hereby enters this disclaimer to that part of the claim which it

does not choose to claim or hold by virtue of the patent or said assignments, to wit:

(a) The process as set forth in claim 6, except wherein the picture and sound negatives are separate films at the time of development.

(b) The process as set forth in claim 7, except wherein the sequence of pictures is photographed upon a film separate from that upon which the sequence of sounds is photographed, and the picture and sound negatives are separately developed, in a manner appropriate for each, and are consecutively printed upon the same sensitized film.

Signed at New York, in the County of New York, and State of New York, this 22 day of November, 1932.

AMERICAN TRI-ERGON CORPORATION
By (Signed) WM. FOX
WILLIAM FOX

(Corporate Seal)

Witness:

DANIEL G. ROSENBLATT